The Honorable Michael K. Powell Chairman Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Dear Chairman Powell:

As an independent internet service provider, New Jersey Internet (NJI.com) our business is based on honesty, integrity, and reliability. As a result we have gained and retained the loyalty of 2,000 dialup and DSL customers despite our lack of legal resources to gain fair access in the marketplace that 7,000 of us created back in 1994/95.

Verizon forces us to pay over \$40 per month per DSL subscriber for services that should be priced at only \$2.00 per month. Verizon officials laugh at me when I explain that my dream is to provide DSL to home and small business customers for only \$19.95 per month. There is really no reason it can't be done. As a graduate of Cornell University I am actively looking for some way to get a law degree to practice telecom law to reduce DSL charges from \$40.00+ per month to \$2.00 per month. I am sure you all would cringe at the idea of fed or state subsidy the \$38.00+ per month -- but at least it might buy some time.

At \$2.00 per month, the remaining \$17.95 would help us pay for the following business components:

- 1) -- base interconnection fee to verizon (perhaps this charge could be eliminated -- just as CLEC pay no monthly fee for INTER-MACHINE-TRUNKS IMT Trunks) think of it as the phone company getting access to our customers over that interconnect
- 2) technical support staff (biggest expense)
- 3) actual internet service (central routers, bandwidth, rack, etc.)

So currently at \$40.00+ per month, we add \$17.95 and get \$57.95 per month.

We actually have to charge more per month because manufacturer www.westell.com of the white box westell modem will not sell thier modem to us at the same price as verizon -- so verizon can afford to give them away free, forcing us to give them away for free and charge an additional \$20.00 per month in hopes of making up the money before we go out of business on the modem loss.

SO now we are at \$40.00+ plus \$17.95 plus \$20.00 which forces us to sell the service for \$77.95+ per month when verizon is selling at a promotional price of \$29.95 per month.

We still get customers because cusomers perceive the phone company as evil. The evil things they do include preventing customers from sending email unless thier email address is verizon.net. They also force them to sign an agreement that

prevents them from running any servers on thier network. They also force them to use the $\ensuremath{\mathtt{PPPOE}}$

protocol -- primary purpose is to suspend thier service for non payment. They also limit upload

speeds because they wish to prevent customers from making full use of the interactive nature of the internet. They prevent fast uploads because they are thinking with the old BELL mentality of closely controlling thier customers use of service, not looking at the big picture -- that they could make more money by deregulating thier customers -- they are really too stupid to realize that.

The inventor of ethernet, Robert Metcalf said it best in his December 19, 1999 Wall Street Journal editorial entitled

Sincerely,

Arthur Zysk 2650 Route 130 Cranbury, NJ 08512